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Business Attracts the Best and the Brightest

By Konstantin Sonin

No one is surprised to hear good news about Roman Abramovich anymore. The only bad news the oligarch has received recently was when his English soccer team, Chelsea, lost on Saturday for the first time this season. But here's some good news about real Russian businessmen.

A group of well-known Russian and foreign economists conducted a survey in order to find out what sort of people become businessmen in Russia. It turns out that our businessmen are smarter, better-educated, harder-working and more optimistic than their fellow citizens. They are also more concerned about giving something back to society.

The study defined entrepreneurs as the owners or co-owners of a business that employs no fewer than five people.

More than grades went into the assessment of respondents' intelligence. The survey was more of a test of honesty and self-appraisal. Respondents were given a series of simple, logical problems, which they had to solve on the spot. Entrepreneurs arrived at their answers far more quickly than others. And their grades were also relatively high.

This shouldn't come as a surprise, since entrepreneurs in Russia are usually the children of educated parents. Their childhood environment also plays a major role. The childhood friends of businessmen are far more likely to go into business themselves than the friends of non-businessmen. Parents' Soviet-era political views also come into play, however contradictory this may appear at first glance. The Communist Party didn't exactly cultivate an entrepreneurial spirit among its members, to say the least.

When asked, "If you won \$5 million in the lottery, would you stop working?" only one entrepreneur in five said "yes." Of respondents not involved in business, nearly half said they would quit their jobs. While the desire to make more money was a factor in the entrepreneurs' responses, most said they wouldn't quit because they love their work. It may be that businessmen simply have a better idea of what \$5 million is really worth -- not all that much, in fact, just pocket change for a generous soul.

The study also included questions about the relationship between business and the government at the federal and regional levels, corruption and the courts. Surprisingly, respondents from all walks of life shared a basic understanding of the rules of the game, though businessmen are less troubled by corruption and bribery. Businessmen also proved somewhat greedier and less risk-averse than mere mortals, but when you think about it, this is probably a good thing.

The survey team -- including Yekaterina Zhuravskaya, academic director at the Center for Economic and Financial Research -- plans to conduct similar studies in Brazil, India, China and Nigeria. The results will determine if Russian entrepreneurs really are the most enterprising in the world -- or perhaps the best educated and most intelligent.

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